

CONFIDENTIAL**ROUTING AND RECORD SHEET**

SUBJECT: (Optional)

DD/A Registry

81-0640/1

FROM:
William F. Donnelly (C)
Chief, Information Management Staff, DO

EXTENSION

NO.

DATE

1 April 1981

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. *EO/DDA*

1 APR 1981

2 APR 1981

*mf***DD/A REGISTRY**

Max,

FILE: Records2. *ADDA*

4-3

*H*3. *DDA*

4/16/81

*mh*4. *Mr Saunders*

4/6

4/9

*RF*5. *DDA Registry*

6.

7.

8.

9.

Your memorandum of 24 March pertaining to micrographics consolidation appointing [] to chair an Agency-wide task force on micrographics consolidation has come to my attention. I am not opposed to reexamining this issue; however, your memorandum refers to an internal 1977 study. There was an Agency-wide study on the same topic which concluded with the enclosed memorandum dated 20 April 1978. The drafter of your memorandum appears to have skipped a step which was taken on behalf of the Executive Committee which resulted in this report.

I think the summary section of this report provides the thrust of the task force's finding at that time. I wouldn't read any more.

If [] is to look into this topic again, I think he should be provided the enclosed document.

Bill

Chief, IMS

Attachment

13.

14.

15.

CONFIDENTIAL

CONFIDENTIAL

20 APR 1978

MEMORANDUM FOR: Executive Advisory Group Members

FROM : Micrographics Task Force

SUBJECT : Task Force Report on Proposal to Consolidate
Micrographics Production Facilities (U)

REFERENCES : A. Minutes of the 13 December 1977 Executive Advisory
Group Meeting, 20 December 1977

B. Summary of Recommendation for the Consolidation of
Micrographics, 16 August 1977, (EAG 28)

Summary

1. The Task Force charged with examining a proposal to consolidate micrographics* production facilities in the Agency has evaluated the advantages of consolidation, including the potential for cost savings; analyzed the disadvantages; and developed four options for management consideration.

2. Taking into account amended personnel and space statistics resulting from Task Force discussions, the Printing & Photography Division (P&PD) and the Information Systems Analysis Staff (ISAS) of the Administration Directorate (DDA) have prepared a revised proposal for consolidation, herein presented as the first of the options. Its appeal rests primarily on an anticipated savings of \$244,000 annually, to be achieved mainly through an elimination of 9 positions. Such savings cannot be considered definite, however, because the costs of running a consolidated micrographics production operation in CIA are uncertain. There are other advantages in consolidation, which include the production of more uniform microimages, better control over archival products, and easier conformance with standards, but no serious problems in these areas exist at present.

3. The economies and efficiencies that might be achieved through consolidation must be weighed against the potential disadvantages of such action. The National Foreign Assessment Center (NFAC), the Operations Directorate (DDO), and the Science and Technology Directorate (DDS&T) are convinced that the loss of their own local micrographics facilities

*Micrographics is the creation and use of miniaturized film images as a supplement to or replacement for paper copy.

CONFIDENTIAL

~~CONFIDENTIAL~~

would be detrimental to their information handling systems. They are concerned that difficulties in obtaining timely service, loss of compartmentation, detracting from smoothly-functioning, integrated information management programs, reduced emphasis on unique customer needs, and other disadvantages would result from consolidation. NFAC is also greatly concerned about the potential negative impact that consolidation would have on ADSTAR, its microimage document storage system currently under development, since revised configurations and timetables would adversely affect the ADSTAR contract. The DDO insists above all else that compartmentation of sources and methods information must be maintained. The DDS&T is most concerned about the need to uphold its commitment to provide timely, quality-assured micrographics service, through the National Photographic Interpretation Center (NPIC), to Intelligence Community members.

4. On balance, it is the majority opinion of the Task Force that an essentially decentralized environment should be retained, in which components having special micrographic requirements would continue to operate their own locally-controlled production facilities, while the main production facility in P&PD would continue to provide central services, technical guidance and back-up support on request.

Background

5. In December 1977 the Executive Advisory Group (EAG) discussed a paper prepared by the DDA which proposed the consolidation of the Agency's several micrographics production facilities, to be brought under the management of P&PD within the Office of Logistics. The paper asserted that consolidation would permit significant savings in manpower, space, equipment, and supplies. An anticipated reduction of 19 positions accounted for most of the \$383,000 yearly savings foreseen.

6. EAG members expressed concern that the study had not taken important factors into account—such as the need for compartmentation, the implications of the new ADSTAR system being developed (under the management of the Office of Data Processing) to automate document storage and retrieval in NFAC and the DDO, and certain costs inherent in a consolidated arrangement which would tend to offset savings. The EAG agreed that an inter-directorate task force should be formed to examine the proposal on a comprehensive basis for EAG review. This approach was taken in preference to the employment of an outside consulting firm.

7. Accordingly, a part-time task force was appointed, chaired by a member of the Comptroller's Office and composed of the managers having jurisdiction over the bulk of the micrographics production work occurring within their respective directorates.

8. Through a series of discussions and an analysis of the situation from the point of view of each directorate, the task force has re-evaluated the merits of consolidation, including the potential for cost savings; has identified the various disadvantages of consolidation; and has developed a set of options for EAG consideration which include modified

designs for consolidation--should such action be considered justified.

9. A summary of the Agency's micrographics activity, as it currently takes place within each of the four directorates, is attached as Annex A.

Revised Proposal for Consolidation

10. Taking into account amended figures resulting from Task Force discussions, a revised proposal for consolidation has been prepared by P&PD and ISAS and is herein presented as an option for EAG consideration. Under this plan, a central P&PD-operated microform production facility would be created which would routinely receive documents (or data in the case of computer-output-microform) from Agency components and return them in microform, as specified by the components. Most of the consolidated facility would be located in the P&PD Building itself, which would work on a three-shift, five-day-week schedule. A satellite P&PD operation located in the Headquarters Building, within the area currently planned to house NFAC's ADSTAR project, would handle ADSTAR production for NFAC and the DDO and quick turnaround, high priority requests for all Headquarters components. DDO, DDS&T, and NFAC microform production facilities would cease to exist--in the Information Management Staff (IMS), the National Photographic Interpretation Center (NPIC), the Office of Development and Engineering (OD&E), and the Office of Central Reference (OCR). Twenty-five of the positions currently dedicated to micrographics production activity in those components would be transferred to P&PD to meet the demands of the centralized facility; the remainder would be freed for other use by the directorates. Space occupied by the existing facilities (apart from the satellite operation) would also revert to the directorates for other use. Pieces of equipment judged by P&PD to be under-utilized and therefore surplus to the consolidated facility would be declared excess. Office of Finance (OF) and Office of Security (OS) micrographics facilities would remain independent, because they only perform a filming function (P&PD doing their processing) and so would offer no significant savings opportunity through inclusion in the consolidation. The Microfilm Programs Branch (MPB) within ISAS would continue to function as an integral part of the Agency's Records Management Program; but two of its four positions (systems analysts) would be transferred to P&PD.

The Potential for Savings Through Consolidation

11. P&PD and ISAS estimate that a total saving of \$244,000 yearly may be achieved through this revised consolidation proposal, as follows:

Salaries	\$ 179,000
Space	39,000
Equipment	11,000
Supplies	15,000
	<u>\$ 244,000</u>

Their estimate is based on the elimination of 9 full-time positions from micrographics production work, two part-time employees, 4,058 square feet of floor space, rental and maintenance costs for excess equipment which has not been purchased, and reduced supply costs—accomplished through bulk purchases. (See Annex B for details of the estimate.) The above figures do not include savings in employee benefit costs (which amount to about 10 percent of salary) or in "hidden" administrative costs which are involved in maintaining separate accounts, processing separate requisitions, etc. However, such items would not change the magnitude of potential savings appreciably.

12. For purposes of comparison, estimated savings would amount to the following portions of the Agency's total micrographics production activity which now exists:

- 25X1 - 9 of the current [] micrographics positions (13%)
- 25X1 - 2 of the current [] micrographics personnel (7%)
- 4058 of the 15,360 square feet of space now devoted to micrographics (26%)
- 68 of the 145 major pieces of micrographics production equipment now being used (47%)
- 25X1 - \$244,000 [] annual operating costs for micrographics production (18%)

13. Estimates of savings, however, are complicated by differences of opinion among Task Force members as to the actual economies which might be achieved through consolidation, particularly in salaries—which constitute most of the savings projected. P&PD believes that position savings might be even greater than 9, as it feels it has been cautious to include enough positions to handle the burdens of the consolidated facility without any degradation of service. DDO, DDS&T and NFAC task force members, on the other hand, consider that the proposed staffing of the augmented central facility would prove to be inadequate, and that to meet demands P&PD would soon have to add positions, thereby eliminating the largest portions of the savings achieved. They point out, moreover, that the night differential involved in a 24-hour P&PD operation would introduce additional costs which would partially offset savings. They emphasize, finally, that the directorates would have to retain personnel to log, wrap, ship, receive, and control documents transported to and from P&PD, and to serve as couriers and escorts to handle priority materials, sensitive correspondence, and special requests. The revised consolidation proposal set forth above gives consideration to the latter need, permitting OCR and NPIC each to retain a single clerk for document handling purposes; but these two positions may not be enough to satisfy those components' needs. An additional complicating factor has been the difficulty in defining the number of positions devoted to micrographics production, given the fact that some of the people involved in this activity are responsible for other duties as well. And there are other complexities,

such as the anticipation of OCR and IMS that ADSTAR will permit a reduction of personnel in any event, something which cannot definitely be resolved at this time.

14. The \$244 thousand yearly savings estimated by P&PD and ISAS, therefore, cannot be regarded as definitive. P&PD and ISAS consider that savings estimate to be conservative, while the DDO, DDS&T and NFAC are convinced that there could very well be no savings at all, particularly since the costs of running a new organization are always uncertain.

15. Of course, savings for replacement and new equipment which would otherwise have to be purchased for the decentralized facilities must also be a consideration. Once ADSTAR is implemented, however, OCR would require no other major micrographics equipment, and growth in the IMS and DDS&T micrographics facilities is expected to be minimal. Nevertheless, some replacement equipment would have to be purchased in the decentralized facilities to comply with externally-imposed standards, and this could amount to a \$50,000-\$100,000 expenditure during the next few years.

Other Advantages of Consolidation

16. The original proposal for consolidation emphasized the economies which might be achieved. However, it contended that there would be further advantages as well:

- The Agency would be afforded a one-stop, technically-expert, full-service production facility.
- A central facility would be able to produce more uniform micrographics products.
- A central facility would permit better control over archival micrographic products.
- The duplicate filming which occasionally occurs would be eliminated, since filming would take place in only one location.

17. Further benefits to be gained through consolidation were identified during Task Force discussions:

- Consolidation would facilitate central planning, control, and coordination of the Agency's micrographics production function.
- It would be easier to assure conformance with micrographics standards, as regulated by GSA's National Archives and Records Service, the National Bureau of Standards, and the Intelligence Community.
- The appearance of duplicatory micrographics facilities, with under-utilized equipment, would be avoided.

- A career path in the combined micrographics, photography, and printing field would become available to employees transferred to P&PD.

Directorate Concerns Regarding Consolidation

18. On the other side of the balance sheet, task force discussions highlighted numerous drawbacks to consolidation in the area of mission effectiveness, which must be weighed against the quantifiable economies and efficiencies which might be achieved through centralized service. These common concerns, deriving in part from experience with centralization in other functional areas, are emphasized by the DDO, DDS&T, and NFAC:

- Components would lose control over their ability to satisfy micrographics production commitments and special customer requests.
- There could be less timely service, particularly on priority items, due to queuing and the additional time it would take to handle and transmit materials, despite a three-shift operation.
- Current production methods allow a component to assure quality control through immediate on-the-spot inspection, without having to achieve improved copy through cumbersome procedures.
- Highly sensitive compartmented products would be handled outside the responsible directorates. Large amounts of sensitive material would be concentrated in two (P&PD) locations.
- Components' enthusiasm to initiate new and imaginative micrographic applications would be diminished through their loss of direct responsibility for enhanced micrographic services.
- Components' micrographic production activities constitute important, integral parts of their total information management programs.
- Smoothly operating work flows would be disrupted, since component micrographic operations have long been integrated within their overall production activity.
- A centralized facility would necessarily concentrate on a smooth mechanical production process. Being further removed, it would be less able to understand, appreciate and meet customer needs, particularly in instances where the product must be tailored to satisfy unique requirements.
- The micrographics technicians who would not be transferred to P&PD under consolidation are specialists, often with many years of experience, who would have to be re-trained for other lines of work, if indeed new jobs could be found for them within CIA.

- Components deem it essential to include micrographics management and production experience as part of their employees' career development program within the overall field of information management.
- Security problems could be caused by documents which may be misdirected or lost as the result of increased movement of materials to and from P&PD.
- Centralization could be expected to result in increased bureaucracy, bookkeeping, and organizational antagonisms. Component shops elicit the support of their users, while a detached, centralized facility easily becomes a target for criticism.

19. In addition to the above, the directorates have the following special concerns:

NFAC

NFAC's chief concerns lie in the potential negative impact that the proposed consolidation would have on ADSTAR, its microimage document storage and retrieval system currently under development, and on the planning for SAFE, its computerized information handling system also under development, with which ADSTAR is to be collocated.

Consolidation would require a change of scope in the ADSTAR contract as well as in the site preparation contracts which have been negotiated. This would result in increased costs, altered timetables, and a revised configuration. The contractor's proposal and current efforts are dependent on the maintenance of ADSTAR as a dedicated facility and on the availability of equipment listed in the RFP.

The integration of the minicomputer-controlled subsystems for ADSTAR input and retrieval do not permit a breakout of the filming (production) process. Neither do the individual camera units permit non-ADSTAR filming due to their need for minicomputer prompting and control and the unique film addressing information to be placed beneath each ADSTAR image.

The ADSTAR area, which would become the P&PD satellite facility under the revised consolidated plan, would not be sufficient to perform both ADSTAR and non-ADSTAR filming on a timely basis, nor would it accommodate the growth accompanying Project SAFE. In the joint ADSTAR/SAFE environment, microfilming volumes will be substantially increased as analysts store their working files in ADSTAR. Also, the joint operation will include direct links between the SAFE host computer and the ADSTAR minicomputer to complement input and retrieval activities.

DDO

Compartmentation of sources and methods information is of paramount concern to the DDO. The DDO feels it must operate its new ADSTAR system (DORIC/W)

CONFIDENTIAL

in the production, as well as the retrieval, mode. To minimize risk, it wants the information DORIC/W will contain to be confined to internal DDO handling. Many components in the DDO are reluctant to release their materials for clerical handling outside their immediate working environment. Consolidation would cause these components to withhold documents from regular and special microfilming programs and thereby undermine the increasingly successful DDO micrographics effort.

The DDO, furthermore, plans to integrate its local computer-output-microform capability with its electrical cable/telepouch document storage system (COMET) now under development, so that older documents may be periodically moved into less costly microform storage on a convenient basis.

DDS&T

In its role as a national center, NPIC is responsible for providing internal micrographics services to its in-house and remotely located component organizations in support of a national priority exploitation effort, as well as external micrographics services to Intelligence Community members located within NPIC's building and to Commonwealth foreign governments. It is concerned that consolidation could disrupt the timeliness and quality of this support, and that external support would have to be greatly curtailed or eliminated if NPIC were to lose direct control of its micrographic services.

The OD&E micrographics operation is a very small and highly specialized service. This organization's equipment was purchased specifically to interface with equipment located at industrial contractor facilities. It can be operated, moreover, by non-micrographic-trained personnel, so that they can complete their work satisfactorily according to their own special needs with minimum difficulty and lost time. In some instances, their work must be accomplished within a short time period, leaving insufficient time for transport of materials to and from P&PD.

As remote customers, NPIC and OD&E both fear that their frequent need for service within 24 hours might not always be satisfied, due to priority conflicts with other directorates' work and the physical problems involved in getting materials to and from P&PD in time, particularly if some products were found to be unsuitable and needed to be re-photographed.

Options for EAG Consideration

20. The estimated economies and other advantages of consolidation must be weighed against the numerous disadvantages cited above, which, it is clear, are not merely matters of convenience. The two most obvious options are either to consolidate in accordance with the revised proposal or to leave micrographics production essentially decentralized. There are other possibilities falling somewhere in between, but such options

have their own advantages and disadvantages and cannot properly be regarded as "compromise" solutions.

21. The task force has defined four options for EAG consideration:

1) Consolidation in accordance with the revised P&PD/ISAS proposal. The preceding pages of this paper have described the advantages and disadvantages of this course of action at length.

2) Retention of a decentralized arrangement, which in the next two years will be altered considerably by the implementation of large-scale ADSTAR systems in NFAC and the DDO. Components having special requirements (OCR, IMS, NPIC, OD&E, OS, and OF) would continue to operate their own production facilities. P&PD would continue to act as the Agency's primary micrographics production center and to provide technical guidance and back-up support. MPB, through the existing, successful Agency-wide Micrographics Users Group, would continue to coordinate records and standards aspects of micrographics production and to promote the use of micrographics, as it has in the past. Components would not compete with P&PD or seek to further expand their respective micrographics production facilities, aside from ADSTAR. Upon the request of a component, P&PD and MPB would provide advice to improve procedures which would save costs, promote the production of consistent-quality microforms, and eliminate the need for duplicate filming.

3) Restriction of decentralized micrographics production activity to the requirements of large dedicated systems. This partial consolidation would mean, in effect, that the ADSTAR systems of NFAC and the DDO would remain decentralized as planned. However, OCR and IMS would no longer perform any other production services for their respective directorates or for other directorates. The NPIC and OD&E facilities would be consolidated within P&PD. On the plus side, this move would begin a process of phased consolidation, while providing several of its benefits. With the implementation of ADSTAR, NFAC plans to limit its production activity exclusively to that system anyway. On the negative side, this option would permit very little savings, would totally ignore DDS&T's objections to consolidation, and would not satisfy the security and planning requirements of the DDO which exist apart from ADSTAR.

4) Consolidation of the management of all micrographics production under P&PD, while leaving the outlying facilities in place, with their existing equipment and personnel, as satellite operations. The facilities of OCR, IMS, NPIC, OD&E, and of OS and OF as well, would thus be placed under the budget and jurisdiction of P&PD. The advantage would be to work toward phased consolidation, with no immediate upheaval. While this option would afford no immediate savings, it would permit other benefits of consolidation to be achieved and would provide, in effect, a trial period in which directorates could gain confidence in P&PD responsiveness to their needs and in which a new, mutually satisfactory configuration could eventually emerge. Aside

from the lack of immediate economies, disadvantages of this scheme include the difficulty of determining precisely which areas and personnel P&PD would manage (given the integration of micrographics production with other component activities); the unwelcome separation of micrographics production from comprehensive component information management and career development programs; the loss of component control, user orientation, and compartmentation; the unsettling situation which would be imposed on personnel involved; and the likelihood that reversal of the arrangement, should it prove unsatisfactory to customers, would be highly problematical and wasteful of resources.

Conclusion

22. Agency-level management must weigh the inherent efficiencies and possible economies of consolidation against the benefits of continued decentralization, which center upon mission effectiveness. There are numerous conceivable alternative courses of action which would entail partial and/or phased consolidations of various combinations of facilities. Two such alternatives have been defined as options 3 and 4. But, really, the choice comes down to a question of fundamental managerial judgment, in choosing between a basically centralized or a basically decentralized mode of operation in this unglamorous but critically important support activity.

Recommendation

23. The Task Force being divided on the issue, it is the majority opinion that Option 2 is best—that an essentially decentralized micrographics production environment should be retained.

Micrographics Task Force

25X1

Task Force Members:

William Donnelly

Office of the Comptroller
Administration Directorate
Operations Directorate
Science and Technology Directorate
National Foreign Assessment Center

ANNEX A

ADMINISTRATIVE
INTERNAL USE ONLY

SUMMARY OF DDA MICROGRAPHICS ACTIVITY

1. The DDA relies heavily on micrographics in the processing, use, and storage of information. This includes both Source Document and Computer Output Microfilm (COM), and it includes microfilm obtained on subscription from commercial sources, microfilm received from other federal agencies, as well as microfilm of records and information created by the DDA Offices.
2. All microfilm of records and information created by the DDA is processed by the Agency's central micrographics production facility in the Printing & Photography Division, Office of Logistics (P&PD/OL). Also, except for two small applications, one in the Office of Finance and one in the Office of Security, all microfilming, both Source Document and COM, is accomplished by this same central production facility. All DDA micrographics applications are developed in conjunction with and reviewed periodically by the Micrographics Program Branch (MPB) DDA. Each of these DDA applications are set up and scheduled in the production facility by the P&PD Systems Staff.
3. Every Office in the DDA has ongoing micrographics applications. These range from the Communications Control File, consisting of an annual growth of two reels of 16mm microfilm, in the Office of the DDA to the payroll file consisting of 175 microfiche every two weeks. Microfilm is used by the DDA Offices for current reference, for dissemination to other users of DDA information, for vital records, for storage of noncurrent information, and for archival preservation of permanently valuable information.
4. As a part of the overall responsibility for developing a Records Management Program for the Agency, the DDA provides staff guidance and assistance to each Directorate and Independent

ADMINISTRATIVE
INTERNAL USE ONLY

Office with respect to microfilm. This is accomplished through the MPB, DDA. MPB is responsible for coordination of the Agency's Micrographics Program. The objective of this program is to promote the widest possible use of microforms in the Agency to improve the efficiency and effectiveness of information handling, data storage, and retrieval by saving space and filing equipment; reducing records to a uniform size for filing and searching; providing less expensive duplicate copies of records for multiple users; including copies of Vital Records and archival storage, providing an economical way to distribute copies of records to users at different locations; and providing thorough mechanization and automation of the capability of manipulating large volumes of information. MPB provides the staff guidance, systems analysis, standards and procedures, training, promotion, coordination, and program review to accomplish this objective.

5. The DDA operates a central micrographics facility in the P&PD/OL. This facility has the capabilities of producing, processing, and duplicating microforms for all facets of the technology. The micrographics operation in P&PD operates on a two-shift basis, five day per week. The resources of this facility include production equipment valued in excess of \$700,000 and 16 full-time and 11 part-time positions dedicated to the production of micrographics.

6. In calendar year 1977, P&PD produced 3,438,728 original source document images and 6,864,753 original COM images. Also, over 57,000,000 duplicate micrographic images were produced in 1977. P&PD is currently supporting over 70 Source Document applications and 180 COM applications from all four Agency Directorates. These applications range from very small applications produced on an ad hoc or annual basis to applications run on a daily basis, requiring less than a three hour turnaround.

7. P&PD also provides technical and systems support for Agency applications and equipment purchases. P&PD works together with MPB and reviews potential micrographics applications from a production viewpoint. Quality control and technical support is provided to those users who film their own material and have P&PD do the processing and duplication.

NFAC'S USE OF MICROGRAPHICS

The National Foreign Assessment Center, as the central analytical wing of the CIA, is a prominent producer and consumer of intelligence documents recorded on microfilm. The Office of Central Reference maintains a dedicated microform recording facility for the specific purposes of filming repository documents for the Agency document library (OCR/DSB), and to support Interim SAFE branches in NFAC offices.

The OCR Microform Processing Branch operates a camera unit utilizing step and repeat cameras (35mm 8-up aperture card and NMA microfiche formats) to record the documents, a laboratory to process, inspect, control quality, and duplicate the microforms, and a reproduction unit to make hard copy prints of selected images for document library requestors. Approximately 300,000 documents a year are filmed for the document library, an additional 12,000 documents a year are filmed for the Interim SAFE project, and over 1,000,000 pages a year are reproduced to paper from microfilm holdings.

The Agency central document library is maintained by OCR, which services primarily NFAC and DDO requestors. Intelligence documents and selected reference aids are stored on aperture card and microfiche produced by the Office facility. At present, an automated document storage and retrieval system (ADSTAR) is being developed under contract for installation in CY79. The ADSTAR project is a joint effort of

OCR/NFAC and ISS/DDO under the management of ODP/DDA. This system will store documents on 16mm cartridged microfilm, housed in automatic retrieval modules. Soft copy display, paper output, and microfiche output will be available at local and remote locations through the use of sophisticated solid-state image scanners.

As Project SAFE, NFAC's large scale information storage, manipulation, and retrieval system, is implemented in the 1980's, ADSTAR will grow to accept its projected workloads. The system will be the primary storage and retrieval vehicle for analysts' file material and electrically received material. The capability to permit NFAC analysts to store their paper files on microfilm, and access them remotely via soft display terminals, will account for a projected doubling of ADSTAR input filming to a total of over 6,000,000 pages per year.

NFAC is a prime participant in the Finished Intelligence Program (FIP) under the aegis of the Agency Micrographics Officer. Published reports are selected by the producing offices, which are then microfilmed by P&PD and made available via initial distribution (and document library retrieval) to the user community.

To illustrate the importance of micrographics to NFAC, well over 300 readers and reader/printers have been located in directorate offices. This number is continually increasing as micrographics usage is encouraged by limited file space and by Interim SAFE branch microfilm files. These readers and related micrographic devices are routinely serviced by the technical services shop of OCR.

OCR has a traditional close tie to the Printing and Photography Division. Micrographics personnel from both offices cooperate in the Micrographics User Group, the IHC Micrographics Working Group and its subcommittees, and on a day-to-day production level. At present, P&PD provides support to OCR in the Computer-Output Microfilming of electrical messages, the processing of microfiche film and captions, and occasional special filming jobs.

As the CIA agent for the dissemination and storage of intelligence reports received from the Community, OCR monitors document image quality on a continuing basis. All documents distributed to NFAC and other Agency components, whether on microfilm or paper, are subjected to strict quality standards. The receipt of barely legible microforms or hard copy paper documents severely limits the transfer of information to the analyst. Through the use of high resolution cameras, controlled processing, and regularly maintained equipment OCR ensures that documents disseminated, stored, and retrieved for the user community maintain the highest possible legibility. Further, OCR continually endeavors to upgrade the quality of receipts through representing the CIA in the IHC Micrographics Working Group and by maintaining open channels of communications with Community agencies.

DO MICROGRAPHICS PROGRAM

I. GENERAL

25X1 The DO's micrographic program is one of the largest in the Agency. Its facility, with an annual operating cost [] a capital investment of \$31,000 in micrographics production equipment (excluding WALNUT and rental equipment), and a staff of [] 25X1 part-time employees, produces a variety of microforms in support of many systems involving virtually every Headquarters component and field installation. Established systems analysis, approval, and audit procedures ensure that systems are efficient, cost effective and user oriented.

II. TYPES OF APPLICATIONS

A. Conventional Microfilm

These are 16mm cartridge, roll film, and updatable microjacket applications produced on conventional rotary and planetary cameras for components which need additional records storage space, back-up capability and/or a more efficient system to control, store, disseminate and retrieve information. Approximately 300 active and inactive paper holdings varying in size from a few feet to more than a thousand feet have been converted to microfilm since the inception of the DO's micrographics program. In the past year, 1.5 million microimages were produced via conventional means.

Our largest continuing conventional application is the 201 file Microjacket System. We are currently converting 201 files at an average rate of 4,000 files per month--10 of our part-time contract employees work full-time on file preparation. Since inception of the project, 325,000 files (3,600 linear feet) have been converted to microjackets and then to microfiche for subsequent distribution to DO file requesters. An audit of Phase I of the project, covering 140,000 files,

CONFIDENTIAL

showed a savings of \$57,000 in records storage alone, and that a clean-up of the files prior to filming resulted in correction of over 8,000 misfiled documents and destruction of 110 feet of duplicate records. Most significant, however, microfilming of 201 files is eliminating the need to implement very expensive, inefficient hard copy storage alternatives.

B. COM (Computer-Output-Microfilm)

There are 72 very cost-effective, on-going COM applications in the DO. In the past year over 4.5 million original data pages were output on the DO COM recorder at a speed of 180-200 pages per minute. Moreover, the area of COM where very significant savings are occurring is in microform duplication. In the past year, over 20 million COM-generated data pages were duplicated and distributed to DO recipients in place of expensive, bulky and cumbersome hard copy listings.

The DO recently upgraded its COM recorder with a mini-computer controlled Datagraphix 4561 system that enables us to effect meaningful savings in programming time and effort. We have constructed a clean room that eliminates the dirt and dust that formerly plagued us in the higher-reduction range (48X). State-of-the-art film inspection and duplication equipment was procured to ensure the production of high-quality microforms. The DO produces two microforms on the COM recorder: 105mm, 48X microfiche and 16mm 24X roll film.

The largest COM application is the ALLSTAR data base, a back-up system of 1,648 original 48X COM microfiche that enabled us to destroy [REDACTED] 3x5 Main Index cards then occupying 5,900 linear feet of scarce space.

25X1

Drawing upon the ALLSTAR data base, the DO's COM recorder produces over [REDACTED] listings per year, tailored to the needs of individual field stations and Headquarters components. These include 201 lists (alphabetical or by 201 number), cryptonym lists (also either alphabetical or by 201), subject and OPACT file names and numbers, and travel lists. In each case, the list selects those data which are relevant to the current

25X1

operational needs of the component [redacted]

25X1

Distribution patterns for this highly selective (and frequently altered) output are extremely complex, requiring the closest coordination between producers and operations personnel. And the data clearly require compartmentation to protect sources and methods.

In addition to this COM output, the DO produces microfiche collections of Book Dispatches and Book Cables, not all of which, by any means, are available for general Agency distribution. We are beginning to produce microfiche copies of field station indices, again drawing on ALLSTAR, and here again compartmentation is important. Such indices have gone recently [redacted]

25X1

[redacted] where they will replace the traditional, voluminous and hard-to-destroy 3x5 card files, and other indices are in preparation

C. Micropublishing

The DO has given considerable emphasis to the use of microforms over the past several years, and [redacted] all field stations are participating in the micro-publishing program, with great savings in the cost of necessary research aids and untold savings in secure storage space, to say nothing of advantages in rapid emergency destruction.

D. WALNUT

With an initial investment of 3.5 million dollars, WALNUT is the major micrographic system in the DO. A total of 5.4 million microimages are stored on film strips in 1079 cells containing 5,000 microimages each. It is an automated, computer-supported system designed to service a large volume of Headquarters requests for individual, indexed, source documents via aperture cards and to provide participating field installations with aperture card collections of source documents pertinent to their requirements.

The WALNUT system has operated successfully for 14 years and has saved untold staff hours over what it would have taken otherwise to retrieve hard copy documents while greatly

expediting the Agency's name check process. The original (and only) three online Document Image Files have been filled since June 1967, however, requiring that we maintain a growing number of cells offline (479 to date). Another problem is that the WALNUT components are sophisticated and unique--IBM only made one WALNUT system; consequently, maintenance is difficult and expensive. For example, a considerable number of replacement parts have to be custom made; new cells cost \$240 each; and our IBM maintenance contract costs \$52,000 per year. WALNUT has served us well and will probably continue to do so for a few more years, but not indefinitely. Accordingly, it will be replaced in mid-1979 by a system called DORIC/W.

E. DORIC/W

DORIC/W will be a new microform document storage and retrieval system. Selected document images stored in WALNUT will be converted to DORIC/W. DORIC/W will also be the medium for storing document images of operational dispatches, certain bulky items, and perhaps administrative-type reports. Requestors will be initially provided hard copy throwaway copies of documents stored in DORIC/W. Subsequently, in Phase II, microform images in DORIC/W will be converted to digitalized form and transmitted electrically to terminals located in DO divisions and staffs. The messages can then be viewed on visual display units.

III. USER EQUIPMENT

There are 690 microfiche readers, 30 microfiche reader/printers and 49 cartridge/roll film reader/printers in place throughout the DO, including the field. We have a total investment of over \$230,791 in user equipment.

As a result of increased costs to service this equipment, poor vendor response time, and significant amounts of labor spent escorting vendor service representatives, the DO found through a detailed study that it was essential to establish an "in-house" repair and maintenance program. One employee assigned to the DO's micrographics facility now repairs and maintains all user equipment plus ISS micrographics production equipment not covered under vendor service contracts. The

DO's micrographics facility also funds the procurement and handles the distribution of user equipment. The program is paying off handsomely in terms of dollar savings and improved service, better security, and greater acceptance and use of microforms.

SUMMARY OF DD/S&T MICROGRAPHICS ACTIVITY

I. BACKGROUND

The DD/S&T micrographics operations are limited to the offices of NPIC and OD&E. The scope of the operations in both of these offices is relatively small when compared to the micrographics activities in the other Agency Directorates. For example, the DD/S&T has only six full-time micrographics personnel and the Directorate's total micrographics production output amounts to only 7.3% of the Agency's annual production effort.

Even though the DD/S&T's micrographics operations are comparatively small they are extremely vital to the mission and services provided by NPIC and OD&E. Both of these micrographic operations are custom tailored to the specific office and customer needs. In addition both operations are integral parts of office production cycles and work flows. The loss or impairment of these services would have a serious effect on the ability of the DD/S&T to meet its customer needs and tasking requirements.

II. OD&E MICROGRAPHICS OPERATIONS

The OD&E micrographics operations are built around a contract monitor/industrial contractor interactive system. The OD&E micrographics equipment was specifically purchased to interface with similar equipment currently located at industrial contractor facilities. The OD&E equipment is located at several different and strategic component office sites for maximum customer utilization. This equipment was also selected so that it could be operated by the non-micrographic-trained personnel. Thus, the customer or contract officer who needs a quick response can carry his own work to the equipment, complete it according to his own special needs, examine the finished product for quality and completeness, and carry the finished production back to his office with a minimum amount of trouble and lost time.

III. NPIC MICROGRAPHICS OPERATION

At NPIC, the micrographics operations are custom-tailored to support a priority photographic exploitation effort. In its role as a national center, NPIC must provide internal and external micrographics support to intelligence community components. To meet this responsibility the NPIC Microform Section must:

- provide for timely, high-quality micrographic reproductions of all national imagery-derived exploitation products;

- maintain a master microfiche file of all imagery-derived exploitation products;

- provide for the timely micro-publishing and dissemination of microfilm copies of imagery-derived products to members of the intelligence community including, in particular, NPIC components, NPIC tenant organizations, and certain foreign governments;

- provide direct, timely and customized microfilming services to individuals by converting work files, photo interpreter aids and reference materials to a variety of different microfilm formats.

The NPIC Microform Section spends approximately two-thirds of its annual effort supporting internal NPIC and [redacted] tenant component requirements. This effort includes support to all NPIC components (IEG, PEG, PSG, TSG) and to OIA/CIA, DB-5/DIA, and USAIIG (Army). The remaining one-third of the Section's effort is devoted to servicing requirements of intelligence community components such as CIA, DIA, Army, Navy, Air Force, State Department, NRO, and other requesters, [redacted]

NPIC's micrographics applications and programs are conventional in nature. The Microform Section's equipment inventory consists of two step-and-repeat microfiche cameras, three planetary cameras, and two rotary cameras, one rotoline camera, and associated film processors and duplicators for a total of 21 different pieces of micrographic equipment. With this equipment, NPIC produces 16mm and 35mm roll film, standard microfiche, microfiche jackets, and aperture cards.

NPIC produces regular microfilm output on 25 different types of NPIC exploitation products which are, in turn, disseminated regularly to 20 to 30 different customers throughout the intelligence community. NPIC does not have any special micrographics programs or unique equipment such as a COM output capability.

IV. DD/S&T FUTURE MICROGRAPHICS ROLE

The DD/S&T does not intend to greatly expand its micrographics operations in the future. The Directorate's present requirements are adequately being met with current micrographic personnel and equipment. The DD/S&T foresees no major special equipment purchases, or major product dissemination expansions. Both NPIC and OD&E will, however, attempt to follow a vigorous program to get more people to use its services and convert their files, where applicable, to microform formats. NPIC will also attempt to emphasize micropublishing as a viable dissemination technique. Both applications can, however, be handled within DD/S&T's present micrographic resources.

V. DD/S&T MICROGRAPHIC TIES TO PRINTING AND PHOTOGRAPHY DIVISION

NPIC and OD&E have close ties to the Printing and Photography Division (P&PD)/OL/DDA. Micrographics personnel from both offices are in close contact with P&PD on both special and routine day-to-day production requirements. NPIC is totally dependent upon P&PD to meet all of its COM requirements and OD&E is dependent upon P&PD for occasional special filming jobs. In addition, the DD/S&T recognizes P&PD and the Agency's Micrographics Officer in the Information Systems Analysis Staff (ISAS)/DDA as the Agency's micrographics experts. As such, NPIC and OD&E look to both these organizations for Agency micrographics policy and technical guidance. NPIC and OD&E also have representatives on the Micrographics User Group and IHC Micrographics Working Group and its subcommittees. In addition, the DD/S&T intends to continue to coordinate all micrographics equipment purchases and future technical problems including micrographics standards, with P&PD and ISAS.

ANNEX B

STAT

Approved For Release 2005/08/02 : CIA-RDP84B00890R000600140012-6

Next 2 Page(s) In Document Exempt

Approved For Release 2005/08/02 : CIA-RDP84B00890R000600140012-6

SPACE SAVINGS

REVISED STATISTICS

P&PD	3490	SQ.	FT.
ISAS	1100	"	"
OS	1162	"	"
OF	760	"	"
OCR	2088	"	"
DDO	4800	"	"
NPIC	1800	"	"
OD&E	160	"	"

UPDATED PROPOSAL

	3740	SQ.	FT.
	300	"	"
	1162	"	"
	760	"	"
HQ. FAC	2900	"	"
	1900	"	"
	540	"	"

TOTALS 15,360 SQ. FT.

11,392-SQ. FT.

SAVINGS BY BUILDING

STAT	HQS. BLDG.....	2088	SQ.	FT.	X	\$9.59	=	\$20,023.92
		1260	"	"	X	9.44	=	11,894.40
STAT	AMES BLDG.....	800	"	"	X	9.45	=	7,560.00
		160	"	"	X	9.50	=	1,520.00
TOTALS		4308	SQ.	FT.				\$40,998.32
		- 250	SQ.	FT.	P&PD BLDG		-	2,375.00
		4058	SQ.	FT.				\$38,623.32

<u>Equipment Items</u>	<u>Decentralized</u>	<u>Centralized</u>
1. Planetary Cameras	32	10
2. Rotary Cameras	9	3
3. Rotoline Cameras	3	3
4. Microfiche Cameras (source doc.)	12	5
5. Documate II	1	2
6. Special Formats	6	4
7. COM Recorders	3	3
8. 16/35mm Film Processors	5	2
9. 105mm Processors	4	2
10. 16/35mm Diazo Duplicators	2	1
11. 105mm Diazo Duplicators	11	8
12. 16/35mm Vesicular Duplicators	2	1
13. 105mm Vesicular Duplicators	1	1
14. 16/35mm Silver Duplicators	2	0
15. 16/35/105mm Silver Duplicators	2	2
16. 105mm Silver Duplicator (sheet)	1	1
17. Aperature Card Duplicators	8	8
18. Denisitometers	8	2
19. Microfiche Cutters	8	3
20. 16mm Jacket Stuffers	8	5
21. 35mm Jacket Stuffers	1	1
22. Aperature Card Mounters	3	3
23. Cartridge Loaders	7	3
24. Film Dryers	2	2
25. Microscopes	4	2
Total Pieces of Equipment	145	77

Yearly Savings

1. Rental Costs	\$5,460.00
2. Maintenance	<u>5,800.00</u>
Total	\$11,260.00

SUPPLY SAVINGS

Item	<u>Annual Cost</u> Decentralized	<u>Annual Cost</u> Centralized	<u>Savings</u>
Camera Films	\$52,450.30	\$45,310.78	\$7,139.52
Silver Dupe	10,022.00	9,556.00	466.00
Chemicals	10,925.86	3,803.90	7,121.96
Total			<u>\$14,727.48</u>

OVERALL ANNUAL COST SAVINGS

1. PERSONNEL.....	\$179,509.00
2. SPACE.....	38,623.72
3. EQUIPMENT.....	11,260.00
4. SUPPLIES.....	14,727.48

\$244,120.20 TOTAL SAVINGS

STAT

Approved For Release 2005/08/02 : CIA-RDP84B00890R000600140012-6

Approved For Release 2005/08/02 : CIA-RDP84B00890R000600140012-6

24 MAR 1981

MEMORANDUM FOR: Director, National Foreign Assessment Center
Deputy Director for Operations
Deputy Director for Science and Technology

FROM: [REDACTED]
Deputy Director for Administration

SUBJECT: Micrographics Consolidation

1. An internal 1977 study identified seven separate Agency facilities involved in the production of micrographics. These facilities were located in the Offices of Finance, Logistics, and Security, DDA; Office of Central Reference, NFAC; Information Management Staff, DDO; and the Office of Development and Engineering and National Photographic Interpretation Center, DDS&T.

2. The study recommended that all of the facilities be consolidated into one centralized facility for the Agency. For various reasons, the recommendation was not approved; however, in view of the fact that Agency micrographics requirements have changed since 1977 and consolidation of the various facilities offers the potential for significant savings in personnel and operating costs, it is felt that this recommendation should once again be reviewed.

3. In order to update the 1977 study and make a recommendation based on current information, I have appointed [REDACTED] Architect of Information Handling, DDA, to chair an Agency-wide task force on micrographics consolidation. In addition to [REDACTED] I have appointed [REDACTED] Assistant Executive Officer, OL, and [REDACTED] Office of Information Services, to represent the DDA on the task force.

4. In order to have input from all the involved components, it is requested that each directorate nominate representatives to the task force. Names of nominees should be submitted to [REDACTED] on extension [REDACTED] by 27 March 1981.

5. Any questions concerning this memorandum or the task force should be directed to [REDACTED]

[REDACTED]

SUBJECT: Micrographics Consolidation

Distribution:

- 1 - Each Addressee
- ✓ 2 - DDA
- 1 - OL/P&PD Official

Originating Office:

/s/ James H. McDonald

Director of Logistics

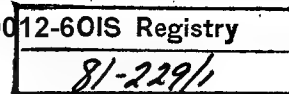
23 MAR 1981

Date

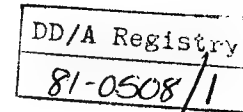
STAT

Approved For Release 2005/08/02 : CIA-RDP84B00890R000600140012-6

Approved For Release 2005/08/02 : CIA-RDP84B00890R000600140012-6



NATIONAL FOREIGN INTELLIGENCE BOARD



MEMORANDUM FOR NATIONAL FOREIGN INTELLIGENCE COUNCIL

SUBJECT: Waiver of Portion-Marking Requirement for In-Plant Contractor-Generated SCI Documents

1. In response to a request by the Acting Chairman, NFIB, the Director, Information Security Oversight Office (ISOO) has granted a waiver from the portion-marking requirement of Section 1-504 of Executive Order 12065, for sensitive compartmented information (SCI) material generated by SCI contractors in contractor facilities. This memorandum is authorization to implement the provisions of the waiver.

2. The waiver does not apply to information contained in records designated as permanent by the Archivist of the United States. Further, any information that will be used as a source for derivative classification outside the contractor facility must be portion-marked before its transmittal.

3. The provisions of the waiver are permissive rather than mandatory, and cognizant Senior Intelligence Officers may continue to require portion-marking where appropriate. Any document upon which the waiver is exercised will be marked as follows:

"Warning - this document shall not be used as a source for derivative classification."

William J. Casey
Chairman

Attachments:

- A. Letter from Acting Chairman, NFIB, to Director, ISOO dated 7 January 1981.
- B. Letter from Director, ISOO, to Chairman, NFIB, dated 3 March 1981.

The Director of Central Intelligence

Washington, D.C. 20505

OIS Registry

80-974

DD/A Registry

80-3767

Executive Registry

80-8464

7 JAN 1981

Mr. Steven Garfinkel
Director, Information Security
Oversight Office (Z)
General Services Administration
18th & F Streets, N.W.
Washington, D.C. 20405

Dear Mr. Garfinkel:

As you are aware, for some time the Intelligence Community has been working on a compartmented information program known as APEX, a single community-wide system designed to replace the multitude of compartmented systems already in existence. The primary objective of APEX is to ensure that only information which is truly sensitive and deserving of compartmentation is so marked and receives the protection it deserves. Unfortunately, the conversion to APEX will be costly, both in terms of dollars and human resources. It is therefore necessary to determine areas where small modifications to current standards will produce substantial cost savings.

We have determined that one of those areas is the portion marking requirement of Executive Order 12065. While we have no problem with the portion marking requirement as applied to members of the Intelligence Community, I do believe that this requirement, if imposed on government contractors who do work for the Intelligence Community, would result in costs which would greatly exceed any benefits derived therefrom. For example, a recent survey of only a few contractors indicates that the costs of portion marking by contractors will cost tens of millions of dollars.

It is therefore requested that, in accordance with provisions of E.O. 12065, you waive the portion marking requirement as it would apply to in-plant contractor generated sensitive compartmented information.

Forwarded herewith is substantiation for the waiver request. Since we intend to implement APEX in early 1981, I would appreciate your early and favorable consideration of this matter.

Yours sincerely,

/s/ Frank C. Carlucci

Frank C. Carlucci
Acting Chairman,
National Foreign Intelligence Board

Enclosure

Enclosure to Letter to Director, Information Security Oversight Office

SUBJECT: Waiver of Portion Marking Requirement for In-Plant,
Contractor Generated APEX Material

The following is submitted in accordance with ISOO Directive No. 1, Section I, paragraph G.9:

a. Identification of the information or classes of documents for which such waiver is sought.

All contractor generated sensitive compartmented information (SCI) produced in contractor facilities under a formal agreement between the government and the contractor for services or products. Contractor/consultant produced material generated or prepared within a government facility will meet the requirements for portion marking as though it were a government produced document.

b. A detailed explanation of why the waiver should be granted.

The requirement for portion marking will increase severely the man-hours to produce documents. Such requirement will require additional personnel resources, thereby increasing contract costs.

c. The agency's best judgment as to the anticipated dissemination of the information or class of documents for which waiver is sought.

All contractor generated SCI material will be submitted to the Program Managers for use or further distribution, if any, or to others as directed.

d. The extent to which the information subject to the waiver may form a basis for classification of other documents.

The majority of documentation generated by contractors is of a technical or engineering nature and is an end product; therefore, it is unlikely that such material would be used as a basis for classification of other documents.



General Information Security
Services Oversight
Administration Office

Washington, DC 20405

3 MAR 1981

Honorable William J. Casey
Chairman, National Foreign Intelligence Board
Washington, D.C. 20505

Dear Mr. Chairman:

By the provisions of Section 1-504, Executive Order 12065, each classified document shall, by marking or other means, indicate clearly which portions are classified, with the applicable classification designation, and which portions are not classified. The Director of the Information Security Oversight Office may, for good cause, grant waivers of this requirement for specified classes of documents or information. In his letter of January 7, 1981, the Honorable Frank C. Carlucci, then Acting Chairman, National Foreign Intelligence Board, requested a waiver of the portion-marking requirement as it would apply to sensitive compartmented information (SCI) material generated by SCI contractors in contractor facilities. The rationale for the waiver is the substantial cost savings in terms of dollars and human resources.

After careful consideration of the points raised by Mr. Carlucci, and discussions with officials from the Central Intelligence Agency and other agencies concerned with the SCI program, I have concluded that portion-marking of SCI material generated in SCI contractor facilities would pose an inordinate financial burden, far beyond the benefits to be derived from the portion-marking of this information. Critical to my determination are the facts that (1) the classified information at issue is not contained in permanently valuable records of the Government; and (2) the classified information at issue will not be used as a source for derivative classification decisions outside the contractor facility.

A waiver is hereby granted from the portion-marking requirements of Section 1-504 of Executive Order 12065, for SCI material generated by SCI contractors in contractor facilities. To preclude the unnecessary classification or overclassification of permanently valuable records of the United States, this waiver shall not apply to information contained in any records so designated by the Archivist of the United States. Further, any information transmitted outside the in-house contractor facility, where it may be used as a source document in the derivative classification of other information, must be portion-marked before its transmittal.

In order that ISOO can monitor this waiver and its exceptions as part of its ongoing oversight responsibilities, I would appreciate receiving a copy of any instruction intended to implement this decision. Please don't hesitate to contact me if you have any questions or comments.

Sincerely,

STEVEN GARFINKEL
Director

On file GSA Release Instructions apply.

STAT

Approved For Release 2005/08/02 : CIA-RDP84B00890R000600140012-6

Approved For Release 2005/08/02 : CIA-RDP84B00890R000600140012-6



MAR 3 1981

Honorable William J. Casey
Chairman, National Foreign Intelligence Board
Washington, D.C. 20505

Dear Mr. Chairman:

By the provisions of Section 3-401, Executive Order 12065, each classified document shall, by marking or other means, indicate clearly which portions are classified, with the applicable classification designation, and which portions are not classified. The Director of the Information Security Oversight Office may, for good cause, grant waivers of this requirement for specified classes of documents or information. In his letter of January 7, 1981, the Honorable Frank C. Carlucci, then Acting Chairman, National Foreign Intelligence Board, requested a waiver of the portion-marking requirement as it would apply to sensitive compartmented information (SCI) material generated by SCI contractors in contractor facilities. The rationale for the waiver is the substantial cost savings in terms of dollars and human resources.

After careful consideration of the points raised by Mr. Carlucci, and discussions with officials from the Central Intelligence Agency and other agencies concerned with the SCI program, I have concluded that portion-marking of SCI material generated in SCI contractor facilities would pose an inordinate financial burden, far beyond the benefits to be derived from the portion-marking of this information. Critical to my determination are the facts that (1) the classified information at issue is not contained in permanently valuable records of the Government; and (2) the classified information at issue will not be used as a source for derivative classification decisions outside the contractor facility.

A waiver is hereby granted from the portion-marking requirements of Section 1-504 of Executive Order 12065, for SCI material generated by SCI contractors in contractor facilities. To preclude the unnecessary classification or overclassification of permanently valuable records of the United States, this waiver shall not apply to information contained in any records so designated by the Archivist of the United States. Further, any information transmitted outside the in-house contractor facility, where it may be used as a source document in the derivative classification of other information, must be portion-marked before its transmittal.

In order that ISOO can monitor this waiver and its exceptions as part of its ongoing oversight responsibilities, I would appreciate receiving a copy of any instruction intended to implement this decision. Please don't hesitate to contact me if you have any questions or comments.

Sincerely,

STEVEN GARFINKEL
Director

On file GSA Release Instructions apply.

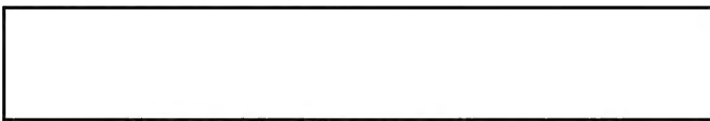
DD/A Registry
81-1739

CENTRAL INTELLIGENCE AGENCY

Privacy Act of 1974; Annual
Publication of Systems of RecordsDD/A REGISTRY
FILE: Records

The Privacy Act of 1974 [5 U.S.C. 552a(e)(4)] requires agencies to publish annually in the Federal Register a notice of the existence and character of their systems of records. The Central Intelligence Agency last published the full text of its systems of records at 42 FR 48050, September 22, 1977. This was further updated by documents published at 44 FR 4518, January 22, 1979; 44 FR 21057, April 9, 1979; and 45 FR 6820, January 30, 1980. Since then, an amendment to a record system was adopted: CIA-10, June 8, 1981 (46 FR 22417). For the convenience of the public, this system is republished below.

The full text of the Central Intelligence Agency systems of records also appears in Privacy Act Issuances, 1980 Compilation, Volume 4, page 83. This volume is available for inspection at Federal depository libraries and Federal information centers.


Harry E. Fitzwater
Deputy Director for Administration

19 AUG 1981

CIA-10

System Name: Language Qualifications Register and OTRTEST.

System Location:

Central Intelligence Agency
Washington, D.C. 20505.

Categories of individuals covered by the system: Employees who claim a foreign language proficiency and applicants to the Agency who have taken one of the Agency's foreign language reading proficiency tests.

Categories of records in the system: Employee claim of foreign language proficiency and identifying biographic data. Social Security number of employee or applicant (in OTRTEST subset only), language tested, and answers to each test question.

Authority for maintenance of the system: Title 5, U.S.C., Chapter 41.

Central Intelligence Agency Act of 1949, as Amended--
Public Law 81-110.

Section 506(a), Federal Records Act of 1950 (44 U.S.C., Section 3101).

Routine use of records maintained in the system, including categories of users and purposes of such uses: Used by Agency personnel for processing requests for foreign language training and for language proficiency cash awards. Tangential use to norm and validate reading proficiency and to verify reading test scores.

Policies and practices for storing, retrieving, accessing, retaining, and disposing of records in the system: Paper, magnetic tape, and magnetic disk.

Retrievability: Name and language. Within OTRTEST subset only, Social Security number, language, and date of test.

Safeguards: Maintained in combination lock safes, magnetic tapes, and on password controlled disks. Access on a need to know basis.

Retention and disposal: Record updated semiannually. Outdated paper record is destroyed by reducing to pulp. Magnetic tapes are degaussed. OTRTEST subset updated weekly. Magnetic disk record is permanent.

System manager(s) and address:

Director of Training and Education
Central Intelligence Agency
Washington, D.C. 20505.

Notification procedure: Individuals seeking to learn if this system of records contains information about them should direct their inquiries to:

Information and Privacy Coordinator
Central Intelligence Agency
Washington, D.C. 20505.

Identification requirements are specified in the CIA rules published in the Federal Register (32CFR 1901.13). Individuals must comply with these rules.

Record access procedures: Request from individuals should be addressed as indicated in the notification section above.

Contesting record procedures: The Central Intelligence Agency's regulations for access to individual records, for disputing the contents thereof, and for appealing an initial determination by CIA concerning access to or correction of records, are promulgated in the CIA rules section of the Federal Register.

Record source categories: Employees and within the OTRTEST subset, only, employee and applicant's Social Security number.

STAT

IPD [redacted] sms 6 August 1981 [redacted]

Distribution:

Orig & 2 - Federal Register

~~1~~ - DDA Chrono

1 - DDA Subject

1 - OIS Chrono

1 - OIS Subject

1 - RMD

1 - IPD Chrono

1 - IPD Subject File

1 - IPD [redacted]

2 - IPD Corres

STAT

S